

1 BRIAN M. BOYNTON
2 Principal Deputy Assistant Attorney General
3 RUTH A. HARVEY
4 Director
5 MICHAEL J. QUINN
6 Senior Litigation Counsel
7 JOHN R. KRESSE
8 John.Kresse@usdoj.gov
9 Direct 202-598-3811 / Fax 202-514-9163
10 T. DIETRICH HILL
11 Trial Attorneys
12 United States Department of Justice
13 Civil Division, Commercial Litigation Branch
14 1100 L Street NW, 7th Floor
15 Box 875, Ben Franklin Station
16 Washington, DC 20044-0875
17 *Attorneys for Plaintiff United States of America*

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

UNITED STATES OF AMERICA,

Plaintiff,

V.

OLYMPIA HEALTH CARE LLC,
ALECTO HEALTHCARE SERVICES,
LLC, MPT OF LOS ANGELES, L.P.,
MPT OF OLYMPIA, LLC, MPT
OPERATING PARTNERSHIP, L.P.,
MEDICAL PROPERTIES TRUST,
INC., SHERMAN/GRAYSON
HOSPITAL, LLC, ALECTO
HEALTHCARE SERVICES
SHERMAN, LLC, LAXMAN REDDY,
MATTHEW WILLIAMS, and
JEREMY REDIN.

Defendants.

Case No. 2:23-cv-01783-ODW-PVC

**FIRST STIPULATION FOR
CONTINUANCE OF
SCHEDULING CONFERENCE**

Current Scheduling Conference Date:
July 17, 2023
New Date: September 18, 2023

1 Plaintiff United States of America (“Plaintiff”), Defendants Olympia Health
2 Care LLC, Alecto Healthcare Services, LLC, Sherman/Grayson Hospital, LLC,
3 Alecto Healthcare Services Sherman, LLC, Laxman Reddy, Matthew Williams,
4 and Jeremy Redin (collectively the “Alecto Defendants”), and Defendants MPT of
5 Los Angeles, L.P., MPT of Olympia, LLC, MPT Operating Partnership, L.P., and
6 Medical Properties Trust, Inc. (collectively the “MPT Defendants”) (Plaintiff with
7 Alecto Defendants and MPT Defendants, collectively the “Parties”) by and through
8 their undersigned counsel, hereby stipulate and agree as follows:

9 1. The Parties believe good cause exists to extend the date for the
10 Scheduling Conference by 60 days because, as detailed below, (a) Plaintiff and the
11 MPT Defendants continue to work to resolve their dispute without motion practice,
12 and Plaintiff’s claims and the MPT Defendants’ deadline to respond to the
13 complaint has been extended to July 24, 2023; and (2) defendant Alecto filed a
14 chapter 11 bankruptcy petition in the Delaware District Bankruptcy Court on
15 July 16, 2023, which affects the proceedings in this Court on all of Plaintiff’s
16 claims.

17 2. Plaintiff filed the Complaint [Docket No. 1] (“Complaint”) on
18 March 9, 2023 and sent the Complaint to the Alecto Defendants and MPT
19 Defendants with a Notice of Lawsuit and Request for Waiver of Service of
20 Summons on March 13, 2023.

21 3. Each of the Alecto Defendants executed and filed a Waiver of Service
22 of Summons on May 2, 2023 [Docket Nos. 7-13].

23 4. The MPT Defendants returned an executed Waiver of Service of
24 Summons on March 13, 2023, which was filed with the Court on May 5, 2023
25 [Docket No. 14].

26 5. Based on the MPT Defendants’ waivers of service, the MPT
27 Defendants’ initial responsive pleading deadline was May 12, 2023.
28

1 6. The Plaintiff and MPT Defendants held a meet and confer call on
2 May 4, 2023, regarding the MPT Defendants' intent to file a motion to dismiss the
3 claims against them under Fed. R. Civ. P. 12(b)(6).

4 7. Following their initial meet and confer call, the Plaintiff and MPT
5 Defendants stipulated, under Rule 8-3 of the Local Civil Rules, to extend the time
6 for the MPT Defendants to answer or otherwise respond to the Complaint to June
7 9, 2023 [Docket No. 15].

8 8. On June 6, Plaintiff and MPT Defendants requested by stipulation,
9 under Fed. R. Civ. P. 6(b) and L.R. 7-1, to further extend the time for the MPT
10 Defendants to answer or otherwise respond to the Complaint to July 24, 2023
11 [Docket No. 20], which the Court granted on June 7, 2023 [Docket No. 21].

12 9. The Plaintiff and MPT Defendants have continued to exchange
13 information and remain engaged in discussions regarding a potential resolution that
14 would either obviate the MPT Defendants' potential motion to dismiss or narrow
15 the scope of the issues in dispute.

16 10. Concerning the MPT Defendants, preparing for and attending a
17 scheduling conference before their deadline to file a motion to dismiss on or before
18 the current July 24, 2023 deadline (and the related briefing) would distract from
19 the Plaintiff and MPT Defendants' efforts to consensually resolve the motion to
20 dismiss.

21 11. Concerning Plaintiff's claims against the Alecto Defendants, Plaintiff
22 has just begun analyzing and evaluating the impact of the Alecto bankruptcy on
23 those claims, including the effect of the automatic stay on Plaintiff's ability to
24 conduct discovery of information in Alecto's custody and control, which
25 necessarily hinders the ability to effectively meet with the Parties' counsel, prepare
26 a report to the court, and prepare for and participate in a scheduling conference in
27 court.

1 12. This stipulation is made in good faith and not for the purpose of delay
2 or for any other improper purpose.

3 13. No discovery cut-off date, pretrial conference date, or trial date has
4 been set.

5 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED
6 between the Parties, by and through their counsel of record, that the deadlines
7 under the Court's May 12, 2023 Order [Docket No. 18] setting the date for the
8 Scheduling Conference are extended as follows:

- 9 a. The Scheduling Conference is reset for September 18, 2023 at
10 1:30 p.m.
- 11 b. The Parties must meet at least 21 days in advance of the Scheduling
12 Conference to prepare a joint report for the court as provided in the
13 Court's May 12 Order.
- 14 c. The Parties must submit the joint report no less than seven days before
15 the Scheduling Conference.

16 IT IS SO STIPULATED.

17 Dated: June 23, 2023

18 UNITED STATES OF AMERICA

19 By: /s/ John R. Kresse

20 John R. Kresse
Trial Attorney
United States Department of Justice

21 Attorneys for Plaintiff United States
22 of America

1
2 Dated: June 23, 2023

MICHAEL BEST & FRIEDRICH LLP

3 By: /s/ Uttam Dhillon
4 Uttam Dhillon (CA Bar No. 131773)

5 Attorneys for Defendants Olympja
6 Health Care LLC, Alecto Healthcare
7 Services, LLC, Sherman/Grayson
8 Hospital, LLC, Alecto Healthcare
9 Services Sherman, LLC, Laxman
Reddy, Matthew Williams, and
Jeremy Redin

10 Dated: June 23, 2023

KTBS LAW LLP

11 By: /s/ Samuel M. Kidder
12 Samuel M. Kidder (CA Bar No.
13 284015)

14 Attorneys for Defendants MPT of Los
15 Angeles, L.P., MPT of Olympia, LLC
16 MPT Operating Partnership, L.P., and
17 Medical Properties Trust, Inc.

18
19
20
21
22
23
24
25
26
27
28

ATTESTATION

In accord with Local Civil Rule 5-4.3.4(a)(2)(i), I attest that all other signatories listed, and on whose behalf this filing is submitted, concur in the filing's content and have authorized the filing.

Dated: June 23, 2023

UNITED STATES OF AMERICA

By: /s/ John R. Kresse

John R. Kresse

Trial Attorney

United States Department of Justice

Attorneys for Plaintiff United States
of America